DOCKET FILE COPY ORIGINAL

971339

Minnesota AFL-CIO

WE'RE WORKING FOR MINNESOTA'S FUTURE... EVERY DAY

AFL CIO

AMERICA WORKS BEST WHEN WE SAY... UNION YES

175 Aurora Avenue • St. Paul, MN 55103
(612) 227-7647 • FAX (612) 227-3801

April 7, 1998

RECEIVED
APR 10 4 38 PM '98
OFFICE OF

The Honorable William E. Kennard
Chairman
Federal Communications Commission
1919 M Street N.W., Room 814
Washington, D.C. 20554

CC Dkt. No. 97-211

RE: In the Matter of Applications of WorldCom, Inc. and MCI Communications Corporation for Transfer Control of MCI Corporation to WorldCom, Inc.

Dear Chairman Kennard:

The proposed merger of MCI and WorldCom is unwelcome news for consumers. The merger--the largest in U.S. history—would reverse two decades of pro-competitive telecommunications policy.

The merger would create a $40 billion monopoly in the telecommunications industry with 63 percent control over the Internet backbone, the part of the Net that connects thousands of service providers, through which, consumers access the Net. With its overwhelming control of the Internet, MCI/WorldCom will have the power to set prices, restrict access, and squeeze out many Internet service providers. This will result in higher prices for consumers.

By reducing competition,the MCI/WorldCom merger will lead to higher rates in local and long distance telephone service. It would delay investment in network upgrades to bring advance information services to all Americans, particularly those in under-served communities.

A WorldCom-MCI combination would eliminate one aggressive competitor both to AT&T in long distance and to the Bell companies in local phone service. For consumers, the merger means a retreat from MCI's planned expansion into local residential and small business service. Moreover, WorldCom-MCI's plans to focus mainly on business customers will take revenues away from the public switched network, further delaying investments that would bring advanced telecommunication services to ordinary consumers. As a result, the merger will foster a two-tiered information highway—one that promotes access for high-valued corporate customers at the expense of individual customers.

0+2

The merger will also reduce job creation. Cuts in network investment, sales, and other areas will reduce job growth in the telecommunications industry by more that 75,000 jobs over the next four years.

Because MCI, WorldCom and the Internet are not regulated, this merger review is an opportunity to protect consumers by preserving and advancing competition in all telecommunications markets. We encourage strong action to stop the anti-competitive, anti-consumer merger between these companies.

Thank you for your consideration of this request.

Sincerely,

Bernard L. Brommer

Bernard L. Brommer
President

cc: Joel Klein, Ass't Attorney General, US Department of Justice
Minnesota AFL-CIO Executive Council

opeiu12/afl-cio/jg

175 AURORA AVENUE • ST. PAUL, MN 55103

RECEIVED

The Honorable William E Kennard
Chairman
Federal Communications Commission
1919 M Street NW Room 814
Washington DC 20554